

COMPANY REGISTRATION NUMBER: 01810883

CHARITY REGISTRATION NUMBER: 515316

**United Hebrew Congregation - Leeds
Company Limited by Guarantee
Financial Statements
31 December 2020**

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2020

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United Hebrew Congregation - Leeds

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Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2020

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2020.

Reference and administrative details

Registered charity name United Hebrew Congregation - Leeds

Charity registration number 515316

Company registration number 01810883

Principal office and registered office 151 Shadwell Lane
Leeds
LS17 8DW

The trustees

S P Dorsey
R J Manning
E M Ziff
M Lewin
R Dewar

Company secretary L Moss

Auditor Ford Campbell Freedman Limited
Chartered accountants & statutory auditor
2nd Floor
33 Park Place
Leeds
LS1 2RY

Bankers HSBC Bank plc
PO Box 105
33 Park Row
Leeds
LS1 1LD

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Structure, governance and management

The operations of the United Hebrew Congregation Leeds ("UHC") are governed and structured in accordance with its Articles of Association adopted in 2018, its byelaws as outlined below, and with the practices, customs and traditions of an orthodox Synagogue.

The structure of the Council of the UHC remains the President, one Vice President and the chairs of the finance, facilities, administration, adult services, youth services, events, and marketing and communications committees, and the immediate past president, in addition to elected and appointed ordinary members.

The Council normally meets once every six weeks to determine policy and direction and to provide governance and management of the many functions, duties, tasks and activities of the UHC.

In addition, a Board of Trustee Directors continues to provide strategic oversight of and support to the Council and organisation but is not involved in its day-to-day running.

The Board plays a key role in determining the appropriate investment policy relating to funds acquired from the recent legacy, with the support and advice of its professional advisers, Rathbone Brothers Plc. These arrangements are designed to provide a high level of assurance for the future sustainability of the organisation.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Objectives and activities

Introduction

The United Hebrew Congregation, Leeds seeks through its principal activities and by its constitution, to advance the religious and educational needs of the Leeds Jewish Community. In furtherance of that activity it holds certain properties and assets.

This report sets out the activities of the UHC for the year ended 31 December 2020, to meet its aims as set out above.

The activities of the UHC have been seriously impacted through most of the year by the effects of Covid-19 and the constraints relating to social distancing and "lock-down" requirements. The UHC has sought to pro-actively adapt to these conditions with the help of innovative ideas and the use of electronic means of communication.

Subject to the above qualification, religious services have been provided throughout the year with extra services for special occasions. In addition, the needs of our members have been met by the organisation of other activities, some religious, some educational, some social and cultural, and some life cycle event driven and pastoral.

Religious Services

The normal pattern of service is as outlined below.

Religious services are held at least twice daily, every day of the year for adult members. On Jewish festivals additional services have been held, as appropriate.

Up to four services for children and young people are held every Shabbat (Saturday) run by trained and supervised youth leaders. Children and youth services are successful and well attended.

All main synagogue services are either conducted by or assisted by our senior minister Chazan Albert Chait and lay leaders.

The effects of Covid-19 have curtailed or reduced the frequency of many of these services during 2020. However, the UHC has made use of social media to produce both Kabbalat Shabbat and Havdalah services as well as Zoom conferencing for Shiva and other group meetings and requirements.

Educational Activities

Our senior minister, Alby Chait, provides educational services for all UHC members by sermons and learning sessions, either in groups or individually, by leading discussions and leading study in Torah.

The aims of the United Hebrew Congregation, Leeds are undertaken specifically to ensure the charitable objectives meet the public benefit requirement of the Charities Act 2011.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Achievements and performance

The UHC funds have all been applied towards the furtherance of our aim, to supply the services required of us and to make sure that the facilities are fit for purpose.

As can be seen from the annual accounts for the year, the result of the financial activities resulted in an overall deficit of £345,496 after including the exceptional costs of substantial improvement works.

The UHC has continued to benefit from the £1.7m legacy.

The Trustee Directors had previously decided to invest £1m through the professional guidance of Rathbone Brothers Plc, dripping funds into the Stock Market during late 2019 and the early part of 2020. At the end of 2020, Rathbones were holding a portfolio of investments and accumulated income with a combined market value of £1,051,064 - this in spite of the dramatic fluctuations in share prices as a consequence of Covid-19.

An initial amount of £500k had been allocated to renovate the building and bring it up to modern day standards. This original budget included a new roof, replacement window frames, some new heating, a new kitchen, as well as various other internal improvements. As work commenced in 2019, it became apparent that additional areas of the building needed attention including reception areas, toilets, and the bridal room and clearance work in the grounds. A further boiler system needed replacing and both a ramp and a lift were deemed necessary for improved access to the different levels of the building.

The accounts include an annual provision for the depreciation of the building in the accounts. This ensures that the accounts are presented on a basis that reflects the consumption of this asset over time, in this case 100 years on a professionally procured valuation. As indicated above, it is our intention to repair and maintain the building to the current high standards such that the consumption of this main asset is negligible in practice.

The underlying operating deficit for the year ending 31 December 2020 was anticipated although not the impact of Covid-19.

The primary cause of this deficit was due to a fall in membership income over the last few years. In more recent times, new members have been joining and it is anticipated that this will continue and help to reduce the deficit.

Fund raising, donations and sponsorship have all played an important and significant part in defraying our operating costs for which enormous thanks go to all our generous members and supporters. It should be noted that we have claimed for Covid-19 related grants wherever possible and have used this money to support the changed operations of the UHC during lockdown.

Apart from income directly attributable to our charitable status, the UHC is fully dependent on membership contributions and other voluntary donations or legacies. Members' contributions are generally paid in full in a timely manner, which demonstrates the strength and significance of this covenant/level of support. Debt collection is paramount.

The trustees have met the objectives of the charity noted above throughout the year, by continuing the religious and educational activities.

The trustees would like to thank the large number of volunteers (estimated to be around 85: security rota 45, Kiddush rota 15, Council and Committees 30, wardens and various service leaders 15, less those who serve across more than one of these categories) who have assisted during the year. Without them the charity would not function at its current level.

United Hebrew Congregation - Leeds

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Key measures of success for the organisation are attendances in Synagogue and membership numbers. Membership numbers at 31 December 2020 stood at 875 adults (2019: 884) plus just under 200 children.

The Synagogue takes its place as one of the three large orthodox communities in the Leeds city region seriously and normally hosts many school children in the course of a year to visit the Synagogue and to learn about our religion.

Financial review

During the year, the UHC generated an overall deficit of £343,496 (2019: deficit £301,484) - as reflected on page 12 of these accounts.

In considering the above figure, it should be noted that approximately £377,000 of expenditure related to the improvement and refurbishment works carried out during the year and £30,896 in respect of a charge for depreciation.

Investment income and the appreciation in the value of the investments totalled £51,180 and the New Year appeal raised a net amount of £56,443. The balance reflects the underlying operating deficit of approximately £43,200 for the year.

The unrestricted funds have a deficit of £317,704 of which £327,411 was designated with the restricted funds generating a deficit of £25,792 (2019: unrestricted deficit of £282,788 of which £224,119 was designated with restricted funds generating a deficit of £18,695).

Of the £25,792 deficit on the restricted funds £15,000 deficit related to the building repairs reserve, a deficit on the cemetery maintenance of £10,294, a deficit of £226 on the New Mums lunch fund, a deficit of £1,748 on the video fund and surplus on the Diverse community fund of £1,732.

This takes the reserves of the charity to £2,863,203 of which £133,345 was restricted funds and £1,214,666 was designated (2019: 3,206,699 of which £159,137 was restricted funds and £1,567,077 was designated funds). The restricted funds are split as £14,530 for the cemetery maintenance, £90,583 building reserve, £26,500 for UHC legacy and £1,732 Diverse community fund.

The Directors and Trustees consider the assets of the charity are adequate to fulfill its obligations for the foreseeable future. The trustees regularly review the free reserves available to meet day to day expenses.

The Council review all costs in detail. This, with improved systems, processes, and financial controls, provides significant assurance over the future viability of the synagogue.

United Hebrew Congregation - Leeds

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Plans for future periods

The UHC Council, together with the UHC staff, continue to promote a proactive and engaging approach towards members. Pursuing an active programme of weekly events, as well as increasing collaboration with the other main Leeds Orthodox Synagogues in the provision of education, religious and speaker events and charitable activities, is intended to maintain the strength of the UHC and its members.

UHC's brand of vibrant engaging orthodoxy that is founded on being 'proud to be Jewish' will continue to be developed. To this end, we continue to work on our social media and web presence, and a variety of specific projects, events and initiatives. Our ethos is to do all of this to the highest standards to inspire and engage across all our membership. We are seeing the benefits of this in a positive feel-good factor feeding through into new members continuing to join the Synagogue.

The financial objective of the UHC is to break even in the short to medium term. The Synagogue's finances are constantly monitored with both the Trustee Directors and the Council working hard to implement appropriate plans to achieve that objective.

The UHC recognises its place at the heart of the Leeds Jewish community. It will continue to look outwards to play its role to help ensure the Leeds Jewish community is also vibrant and strong.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 4 May 2021 and signed on behalf of the board of trustees by:

M Lewin
Trustee

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Independent Auditor's Report to the Members of United Hebrew Congregation - Leeds

Year ended 31 December 2020

Opinion

We have audited the financial statements of United Hebrew Congregation - Leeds (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

United Hebrew Congregation - Leeds

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Independent Auditor's Report to the Members of United Hebrew Congregation - Leeds *(continued)*

Year ended 31 December 2020

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Independent Auditor's Report to the Members of United Hebrew Congregation - Leeds *(continued)*

Year ended 31 December 2020

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

While planning our audit, we have made enquiries of management and those charged with governance around any actual or potential litigation and claims against the company for non-compliance with specific laws and regulations. The same has been done in respect of any instances of fraud or irregularities. The responses received have been communicated with the engagement team at the planning stage.

We have not been informed of any specific laws or regulatory related issues that could materially impact the financial statements in addition to this, there has been no suspected fraud or irregularities reported to the us.

While planning our audit the engagement partner selected appropriately trained staff to be engaged in the audit and the team are allocated based on their competence and capabilities.

The audit work undertaken is a substantive work based audit approach, reviewing to source documentation where appropriate and includes a review and walkthrough of the systems which management have put in place. These tests are directional. Therefore, they are designed in a way to maximise audit effectiveness and the possible identification of any material fraud, irregularities, or instances of systems and procedure breaches. Our testing did not identify any issues that requires any additional reporting.

These tests and other areas of our audit work are designed to enhance our ability to detect cases of material fraud and certain irregularities. It should be noted that our audit is carried out using a material based approach and therefore does not test every transaction, as such, it would not detect all instances of irregularities and specifically fraud which is inherently more difficult to detect.

United Hebrew Congregation - Leeds

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Independent Auditor's Report to the Members of United Hebrew Congregation - Leeds *(continued)*

Year ended 31 December 2020

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Dale Coleman FCA (Senior Statutory Auditor)

For and on behalf of
Ford Campbell Freedman Limited
Chartered accountants & statutory auditor
2nd Floor
33 Park Place
Leeds
LS1 2RY

4 May 2021

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2020

		2020		2019	
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	342,405	74,313	416,718	333,343
Other trading activities	6	1,971	–	1,971	11,064
Investment income	7	20,509	–	20,509	4,084
Other income	8	78,910	30,682	109,591	123,454
Total income		<u>443,795</u>	<u>104,995</u>	<u>548,789</u>	<u>471,945</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	4,783	–	4,783	14,884
Expenditure on charitable activities	10,11	745,748	39,319	785,066	658,277
Other expenditure	12	42,008	91,468	133,476	99,218
Total expenditure		<u>792,539</u>	<u>130,787</u>	<u>923,325</u>	<u>772,379</u>
Net gains/(losses) on investments	13	31,040	–	31,040	(1,050)
Net expenditure and net movement in funds		<u>(317,704)</u>	<u>(25,792)</u>	<u>(343,496)</u>	<u>(301,484)</u>
Reconciliation of funds					
Total funds brought forward		3,047,562	159,137	3,206,699	3,508,182
Total funds carried forward		<u>2,729,858</u>	<u>133,345</u>	<u>2,863,203</u>	<u>3,206,699</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 to 27 form part of these financial statements.

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Statement of Financial Position

31 December 2020

	Note	2020		2019
		£	£	£
Fixed assets				
Tangible fixed assets	19		1,785,403	1,799,601
Investments	20		1,013,301	373,197
			2,798,704	2,172,798
Current assets				
Stocks	21	13,998		10,562
Debtors	22	14,614		14,485
Investments	23	37,763		150,000
Cash at bank and in hand		41,151		890,991
		107,526		1,066,038
Creditors: amounts falling due within one year	25	43,027		32,138
Net current assets			64,499	1,033,900
Total assets less current liabilities			2,863,203	3,206,698
Net assets			2,863,203	3,206,698
Funds of the charity				
Restricted funds			133,345	159,137
Unrestricted funds			2,729,858	3,047,562
Total charity funds	27		2,863,203	3,206,699

These financial statements were approved by the board of trustees and authorised for issue on 4 May 2021, and are signed on behalf of the board by:

M Lewin
Trustee

The notes on pages 15 to 27 form part of these financial statements.

United Hebrew Congregation - Leeds

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Statement of Cash Flows

Year ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net expenditure		(343,496)	(301,484)
<i>Adjustments for:</i>			
Depreciation of tangible fixed assets		30,896	27,797
Net gains/(losses) on investments		(31,040)	1,050
Dividends, interest and rents from investments		(20,140)	(229)
Other interest receivable and similar income		(369)	(3,855)
Interest payable and similar charges		2,784	2,467
Loss/(gains) on disposal of tangible fixed assets		8,000	(2)
Accrued expenses/(income)		7,835	(1,932)
<i>Changes in:</i>			
Stocks		(3,436)	6,095
Trade and other debtors		(129)	7,911
Trade and other creditors		3,054	(19,325)
Cash generated from operations		(346,041)	(281,507)
Interest paid		(2,784)	(2,467)
Interest received		369	3,855
Net cash used in operating activities		(348,456)	(280,119)
Cash flows from investing activities			
Dividends, interest and rents from investments		20,140	229
Purchase of tangible assets		(24,698)	(16,276)
Proceeds from sale of tangible assets		-	292
Purchases of other investments		(632,013)	(347,912)
Proceeds from sale of other investments		22,950	126,186
Net cash used in investing activities		(613,621)	(237,481)
Net decrease in cash and cash equivalents		(962,077)	(517,600)
Cash and cash equivalents at beginning of year		1,040,991	1,558,591
Cash and cash equivalents at end of year	24	78,914	1,040,991

The notes on pages 15 to 27 form part of these financial statements.

United Hebrew Congregation - Leeds

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Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 151 Shadwell Lane, Leeds, LS17 8DW.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

United Hebrew Congregation - Leeds meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic or transaction value unless otherwise stated in the relevant accounting policy notes.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain fixed assets and investments measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

United Hebrew Congregation - Leeds

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Land and buildings	-	1% Straight line excluding land
Fixtures and fittings	-	3.33% Straight line

Investments

Listed investments are measured at fair value with changes in fair value being recognised in income and expenditure.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

4. Limited by guarantee

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Members contributions	211,774	74,213	285,987
Tax repayment	49,781	–	49,781
Donations	80,850	100	80,950
	<u>342,405</u>	<u>74,313</u>	<u>416,718</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Members contributions	222,385	64,654	287,039
Tax repayment	43,230	–	43,230
Donations	2,615	459	3,074
	<u>268,230</u>	<u>65,113</u>	<u>333,343</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Income from Bookshop	1,246	1,246	9,970	9,970
Income from Leisure circle	725	725	1,094	1,094
	<u>1,971</u>	<u>1,971</u>	<u>11,064</u>	<u>11,064</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Income from listed investments	20,140	20,140	229	229
Bank interest receivable	369	369	3,855	3,855
	<u>20,509</u>	<u>20,509</u>	<u>4,084</u>	<u>4,084</u>

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

8. Other income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Other income	39,426	10,682	50,107
Funeral and other related income	39,484	20,000	59,484
	<u>78,910</u>	<u>30,682</u>	<u>109,591</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Other income	62,443	–	62,443
Funeral and other related income	61,011	–	61,011
	<u>123,454</u>	<u>–</u>	<u>123,454</u>

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Book shop costs	(1,977)	(1,977)	12,817	12,817
Other activities	4,862	4,862	156	156
Advertising	1,898	1,898	1,911	1,911
	<u>4,783</u>	<u>4,783</u>	<u>14,884</u>	<u>14,884</u>

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Running costs	627,508	31,117	658,624
Kiddush and Festival expenses	33,028	1,074	34,102
Donations to other charities	5,150	7,128	12,276
Support costs	80,062	–	80,064
	<u>745,748</u>	<u>39,319</u>	<u>785,066</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Running costs	453,817	20,235	474,052
Kiddush and Festival expenses	72,410	1,084	73,494
Donations to other charities	12,622	7,583	20,205
Support costs	90,525	–	90,526
	<u>629,374</u>	<u>28,902</u>	<u>658,277</u>

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

11. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2020	Total fund 2019
	£	£	£	£
Running costs	658,624	–	658,624	474,052
Kiddush and Festival expenses	34,102	–	34,102	73,494
Donations to other charities	12,276	–	12,276	20,205
Governance costs	–	80,064	80,064	90,526
	<u>705,002</u>	<u>80,064</u>	<u>785,066</u>	<u>658,277</u>

12. Other expenditure

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Loss on disposal of tangible fixed assets held for charity's own use	–	8,000	8,000
Funeral and other related expenditure	42,008	83,468	125,476
	<u>42,008</u>	<u>91,468</u>	<u>133,476</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2019
	£	£	£
Loss on disposal of tangible fixed assets held for charity's own use	(2)	–	(2)
Funeral and other related expenditure	44,314	54,906	99,220
	<u>44,312</u>	<u>54,906</u>	<u>99,218</u>

13. Net gains/(losses) on investments

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Gains/(losses) on listed investments	<u>31,040</u>	<u>31,040</u>	<u>(1,050)</u>	<u>(1,050)</u>

14. Net expenditure

Net expenditure is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible fixed assets	30,896	27,797
Loss/(gains) on disposal of tangible fixed assets	<u>8,000</u>	<u>(2)</u>

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

15. Auditors remuneration

	2020	2019
	£	£
Fees payable for the audit of the financial statements	<u>6,540</u>	<u>6,540</u>
Fees payable to the charity's auditor and its associates for other services: Taxation advisory services	<u>882</u>	<u>882</u>

16. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	182,809	181,979
Social security costs	12,593	13,248
Employer contributions to pension plans	<u>6,285</u>	<u>4,857</u>
	<u>201,687</u>	<u>200,084</u>

The average head count of employees during the year was 7 (2019: 7). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	No.	No.
Number of other staff	<u>7</u>	<u>7</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2020	2019
	No.	No.
£80,000 to £89,999	<u>1</u>	<u>1</u>

17. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

18. Transfers between funds

There have been no fund transfers in the current or previous year.

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

19. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2020	1,555,174	371,813	1,926,987
Additions	–	24,698	24,698
Disposals	(8,000)	–	(8,000)
At 31 December 2020	<u>1,547,174</u>	<u>396,511</u>	<u>1,943,685</u>
Depreciation			
At 1 January 2020	78,750	48,636	127,386
Charge for the year	15,000	15,896	30,896
At 31 December 2020	<u>93,750</u>	<u>64,532</u>	<u>158,282</u>
Carrying amount			
At 31 December 2020	<u>1,453,424</u>	<u>331,979</u>	<u>1,785,403</u>
At 31 December 2019	<u>1,476,424</u>	<u>323,177</u>	<u>1,799,601</u>

20. Investments

	Listed investments £
Cost or valuation	
At 1 January 2020	373,197
Additions	632,013
Disposals	(22,836)
Fair value movements	30,927
At 31 December 2020	<u>1,013,301</u>
Impairment	
At 1 January 2020 and 31 December 2020	
Carrying amount	
At 31 December 2020	<u>1,013,301</u>
At 31 December 2019	<u>373,197</u>

All investments shown above are held at valuation.

Financial assets held at fair value

The listed investments are shown at market value as provided by the charity's investment managers Rathbone Brothers Plc.

21. Stocks

	2020 £	2019 £
Total stock	<u>13,998</u>	<u>10,562</u>

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

22. Debtors

	2020	2019
	£	£
Prepayments and accrued income	9,351	9,239
Other debtors	5,263	5,246
	<u>14,614</u>	<u>14,485</u>

23. Investments

	2020	2019
	£	£
Short-term deposits	<u>37,763</u>	<u>150,000</u>

24. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2020	2019
	£	£
Cash at bank and in hand	41,151	890,991
Short-term deposits	37,763	150,000
	<u>78,914</u>	<u>1,040,991</u>

25. Creditors: amounts falling due within one year

	2020	2019
	£	£
Accruals and deferred income	31,881	24,046
Other creditors	11,146	8,092
	<u>43,027</u>	<u>32,138</u>

26. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £6,285 (2019: £4,857).

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

27. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2020 £
General funds	1,480,485	382,545	(403,878)	25,000	31,040	1,515,192
Designated fund legacy	1,430,001	–	(371,712)	–	–	1,058,289
Designated fixed asset reserve	132,865	–	(11,689)	–	–	121,176
Designated Chazan fund	4,211	125	(578)	–	–	3,758
Designated New Year Appeal fund	–	61,125	(4,682)	(25,000)	–	31,443
	<u>3,047,562</u>	<u>443,795</u>	<u>(792,539)</u>	<u>–</u>	<u>31,040</u>	<u>2,729,858</u>

	At 1 Jan 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2019 £
General funds	1,539,154	405,367	(462,986)	–	(1,050)	1,480,485
Designated fund legacy	1,642,963	–	(212,962)	–	–	1,430,001
Designated fixed asset reserve	144,554	–	(11,689)	–	–	132,865
Designated Chazan fund	3,679	1,465	(933)	–	–	4,211
Designated New Year Appeal fund	–	–	–	–	–	–
	<u>3,330,350</u>	<u>406,832</u>	<u>(688,570)</u>	<u>–</u>	<u>(1,050)</u>	<u>3,047,562</u>

Designated building repairs fund and general building reserve have been combined into the fixed asset fund during the year for specific capital repairs and depreciation.

Designated Fund legacy contains funds ring-fenced by the trustees.

Chazan fund contains donations from members for Hebrew reading lessons. This money is then spent on projects in keeping with the ethos of the UHC.

Designated funds for New Year appeal contains funds ring-fenced by the trustees.

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

27. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2020 £
Cemetery Maintenance	24,824	87,087	(97,381)	–	–	14,530
Building Repairs	105,583	–	(15,000)	–	–	90,583
Leeds Jewish Representative Council	–	7,126	(7,126)	–	–	–
Contribution	–	–	–	–	–	–
UHC legacy	26,500	–	–	–	–	26,500
New Mums lunch	287	100	(387)	–	–	–
Sabbatical Fund	195	–	(195)	–	–	–
Video fund	1,748	–	(1,748)	–	–	–
Government Coronavirus Community Support fund	–	8,950	(8,950)	–	–	–
Diverse community funding	–	1,732	–	–	–	1,732
	<u>159,137</u>	<u>104,995</u>	<u>(130,787)</u>	<u>–</u>	<u>–</u>	<u>133,345</u>

	At 1 Jan 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2019 £
Cemetery Maintenance	25,339	57,071	(57,586)	–	–	24,824
Building Repairs	120,583	–	(15,000)	–	–	105,583
Leeds Jewish Representative Council	–	7,583	(7,583)	–	–	–
Contribution	–	–	–	–	–	–
UHC legacy	26,500	–	–	–	–	26,500
New Mums lunch	177	209	(99)	–	–	287
Sabbatical Fund	2,500	250	(2,555)	–	–	195
Video fund	2,733	–	(985)	–	–	1,748
Government Coronavirus Community Support fund	–	–	–	–	–	–
Diverse community funding	–	–	–	–	–	–
	<u>177,832</u>	<u>65,113</u>	<u>(83,808)</u>	<u>–</u>	<u>–</u>	<u>159,137</u>

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

27. Analysis of charitable funds *(continued)*

Cemetery Maintenance contributions are used for the maintenance of the cemetery.

Building repairs contributions raised for major refurbishment of the charity buildings.

Leeds Jewish Representative Council contribution towards the work carried out by the organisation.

UHC legacy funding received to create a lasting legacy of the contribution the charity makes to the community.

New Mums lunch funds raised to prepare a meal to support the new families.

Sabbatical fund are funds raised towards Alby Chait next sabbatical.

Video fund are funds donated to create a video about United Hebrew Congregation - Leeds.

Government Coronavirus Community Support fund provide funds to increase community support to vulnerable people affected by the COVID-19 crisis.

Diverse community funding are to be used to lead on positive Covid-19 messages and support for culturally diverse communities in Leeds.

28. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	1,694,820	90,583	1,785,403
Investments	1,013,301	–	1,013,301
Current assets	21,737	42,762	64,499
Net assets	2,729,858	133,345	2,863,203

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	1,694,018	105,583	1,799,601
Investments	373,197	–	373,197
Current assets	980,346	53,554	1,033,900
Net assets	3,047,561	159,137	3,206,698

29. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2020 £	2019 £
Financial assets measured at fair value through income and expenditure		
Financial assets measured at fair value through income and expenditure	1,019,633	373,197

United Hebrew Congregation - Leeds

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

30. Analysis of changes in net debt

	At 1 Jan 2020	Cash flows	At 31 Dec 2020
	£	£	£
Cash at bank and in hand	890,991	(849,840)	41,151
Current asset investments	150,000	(112,237)	37,763
	<u>1,040,991</u>	<u>(962,077)</u>	<u>78,914</u>

31. Related parties

During the period the trustees made unconditional donations to the charity totalling £11,414 (2019 £10,175).